

BANKRUPTCY ^{UP}DATE

November 8, 2016

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CLN Decisions

You can use the links in the "Links" section below to read the first and listen to the second of the following decisions:

Schmidt v. Nelson (In re Nelson)

Issue: Whether the plaintiffs were entitled to summary judgment on their complaint seeking a determination their state court judgment against the debtor was excepted from discharge under 11 U.S.C. § 523(a)(6)?

Ruling: Yes. The debtor was collaterally estopped from relitigating the issue of whether the debt he owes to the plaintiffs is for a willful and malicious injury, since the state court jury necessarily found the debtor's conduct was targeted at the plaintiffs and was certain or almost certain to cause harm when it awarded the plaintiffs compensatory and punitive damages.

Crump v. McCoy (In re Crump) (bench ruling)

Issue: Whether the unscheduled claim held by the defendant who did not receive notice of the case in time to file a nondischargeability complaint is excepted from discharge pursuant to 11 U.S.C. § 523(a)(3)(B), where the

defendant contended the claim arose from a willful and malicious injury by the debtor-plaintiff?

Ruling: The claim was excepted from discharge pursuant to 11 U.S.C. § 523(a)(3)(B). After a trial, the Court held the defendant's unscheduled claim arose from a willful and malicious injury by the debtor-plaintiff that was targeted at and was certain or almost certain to cause harm to the defendant and would have been nondischargeable under 11 U.S.C. § 523(a)(6) had the defendant received notice of the debtor-plaintiff's bankruptcy case in time to allow the defendant to commence a nondischargeability action.

Links

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[Previous Bankruptcy ^{UP}dates](#)

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